

## General Terms and Conditions of Purchase of PHOENIX CONTACT

### I. Basic provisions

#### 1. Scope / general

- 1.1. These General Terms and Conditions of Purchase apply to all deliveries of products including software by the Supplier (hereinafter referred to as "SUPPLIER" or "CONTRACTOR") to any company of the Phoenix Contact Group (the relevant company hereinafter referred to as "PHOENIX CONTACT") as well as for all work and services performed by the CONTRACTOR by order of PHOENIX CONTACT.
- 1.2. These General Terms and Conditions of Purchase are only applicable with respect to entrepreneurs within the meaning of Polish Civil Code. They also apply to legal persons under public law or special funds under public law.
- 1.3. Different or additional general terms and conditions of the SUPPLIER do not apply and do not become a constituent part of the contract even if PHOENIX CONTACT has not expressly objected thereto.
- 1.4. If any framework agreement or other contracts with the SUPPLIER of PHOENIX CONTACT have been entered into with respect to the delivery of products or to the provision of SERVICE(S), these take precedence. They are supplemented by these General Terms and Conditions of Purchase unless any more specific provisions are agreed therein. In the event of contradictions between these contracts and the General Terms and Conditions of Purchase, the provisions of the contracts shall take precedence.
- 1.5. Section II of these General Terms and Conditions of Purchase shall apply additionally to SERVICES.

#### 2. Definitions

**AFFILIATED COMPANIES** within the meaning of the General Terms and Conditions of Purchase are companies in which PHOENIX CONTACT directly or indirectly (i) holds more than half of the voting rights; or (ii) can appoint or recall more than half of the members of the administrative, management or supervisory body or of the bodies appointed for legal representation; or (iii) has the right to conduct the business of the company; or (iv) viewed economically, bears the majority of the risks and opportunities of a company which serves to achieve a narrowly limited and precisely defined objective of PHOENIX CONTACT (special purpose company) and such companies which directly or indirectly have the aforementioned possibility to influence PHOENIX CONTACT as well as its AFFILIATED COMPANIES, but only as long as the aforesaid requirements are met. The AFFILIATED COMPANIES also include the commercial agents associated with the respective company. AFFILIATED COMPANIES are no third parties within the meaning of the General Terms and Conditions of Purchase.

**CONFIDENTIAL INFORMATION** are all information, facts, documents, data and / or knowledge, in particular technical and / or economic information, construction documents, specifications, drawings, samples, prototypes, test results, source codes, object codes as well as data from customers of PHOENIX CONTACT and / or secret know-how and trade secrets of PHOENIX

CONTACT, ie identifiable findings that are only accessible to a limited number of people, eg in form of non-public information about manufacturing processes or audit results which the SUPPLIER receives from PHOENIX CONTACT within the business cooperation between PHOENIX CONTACT and the SUPPLIER, regardless whether conveyed in writing, in text form, electronically, verbally, visually or in any other form. CONFIDENTIAL INFORMATION also includes all copies made thereof, self-generated materials and compilations. Confidential information shall not be any information (a) that was demonstrably already known to the recipient at the time of conclusion of the INDIVIDUAL CONTRACT or subsequently becomes known by third parties without this violating any confidentiality agreement, statutory provisions or official orders, or (b) that is publicly known at the time of conclusion of the INDIVIDUAL CONTRACT or subsequently becomes publicly known unless this is due to a breach of these confidentiality obligations, or (c) was independently developed by the recipient without recourse to CONFIDENTIAL INFORMATION or in accordance with the exceptions regulated in this Section lit. (a) - (b).

**CONTRACTUAL PRODUCTS** are STANDARD PRODUCTS, MODIFIED PRODUCTS and CUSTOMER-SPECIFIC PRODUCTS which the SUPPLIER delivers to PHOENIX CONTACT on the basis of an INDIVIDUAL CONTRACT. The CONTRACTUAL PRODUCTS also include product documentation such as technical specifications and data sheets of the CONTRACTUAL PRODUCTS to be delivered.

**CUSTOMER-SPECIFIC PRODUCTS** are products developed for PHOENIX CONTACT by the SUPPLIER in accordance with the agreed specification or developed by PHOENIX CONTACT itself or by third parties and manufactured by the SUPPLIER.

**INDIVIDUAL CONTRACT** is any contract in respect of the CONTRACTUAL PRODUCTS or the agreed SERVICE for the concrete individual case concluded between PHOENIX CONTACT and the SUPPLIER by order from PHOENIX CONTACT and order confirmation from the SUPPLIER.

**MODIFIED PRODUCTS** are STANDARD PRODUCTS which are adjusted to requirements of PHOENIX CONTACT and / or include UNIQUE SELLING POINTS.

**OPEN SOURCE SOFTWARE** is any software that, as a matter of principle, can be obtained free of charge and open source and is made available under a license or other contractual arrangement such as the "Free and Open Source" license ("FOSS license") which, as a condition for the editing and / or distribution of this software and / or other related or derived software ("FOSS Derivatives"), includes at least one of the following prerequisites: (a) the source code of the OPEN SOURCE SOFTWARE must be made freely accessible to third parties; (b) third parties must be permitted to create derivative works from the OPEN SOURCE SOFTWARE; (c) third parties must be provided with the authorization keys required for the installation of the OPEN SOURCE SOFTWARE; and / or (d) specific references (eg regarding disclaimers) or documents (eg

the license terms) must be included in the accompanying product documentation and / or other materials provided.

**RIGHTS OF THIRD PARTIES** means registered and unregistered industrial property rights and similar rights as well as application for these rights and rights to such (in particular patents, trademarks, copyrights, designs and neighboring rights) by anyone who is not contractual partner.

**SERVICE(S)** is the act performed by the CONTRACTOR that is intended to meet the obligations under the specific INDIVIDUAL CONTRACT. SERVICES under these General Terms and Conditions of Purchase in particular include but are not limited to consulting, project performance, planning, testing, documentation, test support, engineering, investigation, development or implementation, research, study, analysis, inspection, maintenance, training, preparation of operating instructions, maintenance of systems, commissioning, creation and maintenance of software, mediation, marketing, translation, catering, cleaning, site supervision, photography, transport, craftsmen and construction services.

**SPECIFICATIONS** are the specification of the SERVICE that the CONTRACTOR provides to PHOENIX CONTACT.

**STANDARD PRODUCTS** are products from the product range of the SUPPLIER which can be delivered to a variety of different customers in the same design and which are not created or adapted specifically for PHOENIX CONTACT within the meaning of the definition of MODIFIED or CUSTOMER-SPECIFIC PRODUCTS.

**TEXT FORM** is the readable reproduction of a declaration of intent, in particular e-mail or letter, which clearly identifies the respective contractual partner. An electronic signature and / or a handwritten signature by the respective contractual partner are not required.

**UNIQUE SELLING POINTS** are product features for which PHOENIX CONTACT is exclusively entitled to industrial property rights (patent, trademark, design and / or copyright) and for which no third party can assert corresponding rights.

**WORKING DAYS** are the calendar days from Monday to Friday with the exception of public holidays at the seat of PHOENIX CONTACT.

**WORK RESULTS** include all materials, records, results, software, objects, documents, sketches, drawings, drafts, concepts, information, data, etc., including their processing, created, developed or acquired by the CONTRACTOR on the basis of the respective INDIVIDUAL CONTRACTS, regardless of whether they are protectable or not. Not included are tools, programs and other means required for the manufacture and processing of the WORK RESULTS as well as general methods and procedures of the CONTRACTOR which already exist or are available to the CONTRACTOR at the time of the conclusion of the respective INDIVIDUAL CONTRACT or which were created outside the respective INDIVIDUAL CONTRACTS. The provisions for CONTRACTUAL PRODUCTS shall also apply to WORK RESULTS unless they fall under Section II.4 ("Services").

**WRITTEN FORM** requires that the declaration of intent - unless otherwise specified in the General Terms and Conditions of Purchase - is signed by the person(s) entitled to proper representation of the respective contractual partner (a) with his name in his own hand or (b) by his notarially certified initials or (c) notarized and transmitted to the other contractual partner as original or as fax.

### **3. Conclusion of contract / scope of performance**

- 3.1. INDIVIDUAL CONTRACTS are concluded when the SUPPLIER accepts an order from PHOENIX CONTACT by means of an order confirmation. The SUPPLIER is obliged to confirm the order from PHOENIX CONTACT within five (5) WORKING DAYS. If within this period no rejection of the SUPPLIER is received, the order shall be deemed accepted and the INDIVIDUAL CONTRACT is concluded. Orders, order confirmations and rejections shall be made at least in TEXTFORM. The order confirmation can be replaced within the period specified in sentence 2 by the SUPPLIER by performing delivery and / or SERVICE. INDIVIDUAL CONTRACTS are concluded when the SUPPLIER accepts an order from PHOENIX CONTACT by means of an order confirmation.
- 3.2. The CONTRACTUAL PRODUCTS and / or SERVICES of the SUPPLIER correspond to the current state of the art unless otherwise stipulated in the respective INDIVIDUAL CONTRACT.
- 3.3. Insofar as the CONTRACTUAL PRODUCTS contain UNIQUE SELLING POINTS, the SUPPLIER undertakes to manufacture the CONTRACTUAL PRODUCTS with the UNIQUE SELLING POINTS exclusively for PHOENIX CONTACT and to deliver them exclusively to PHOENIX CONTACT.

### **4. Delivery / time of performance / default**

- 4.1. The delivery shall be done DDP to the place of delivery indicated in the order following the INCOTERMS 2010 within the agreed delivery time.
- 4.2. The delivery and service dates agreed in the INDIVIDUAL CONTRACT are binding. The SUPPLIER is obliged to inform PHOENIX CONTACT without undue delay if circumstances arise which indicate that the agreed date cannot be met.
- 4.3. Deadlines for the delivery and / or SERVICE shall commence upon receipt of the order confirmation of the SUPPLIER at PHOENIX CONTACT in accordance with Section I.3.1.
- 4.4. Deliveries before the expiry of the performance period and / or partial deliveries are only permitted with the prior consent of PHOENIX CONTACT in WRITTEN FORM or in TEXT FORM.
- 4.5. If the SUPPLIER is in default, PHOENIX CONTACT may – in addition to further statutory claims – demand lump-sum compensation for the default damage in the amount of 0.5 % of the total delivery value of the relevant purchase order item under the respective INDIVIDUAL CONTRACT from the first day per calendar day, limited to a maximum of 5 % of the total delivery value of the relevant purchase order item under the respective INDIVIDUAL CONTRACT. PHOENIX CONTACT reserves the right to prove that a higher damage has occurred. The SUPPLIER reserves the right to prove that

no damage at all or only significantly less damage has been incurred. The lump-sum compensation in accordance with sentence 1 shall become due without requiring any conditions on acceptance of the CONTRACTUAL PRODUCT and / or SERVICE.

- 4.6. The unconditional acceptance or unconditional payment of the delayed delivery and / or SERVICE shall not constitute a waiver of any claims to which PHOENIX CONTACT is entitled due to the delayed delivery or SERVICE.
- 4.7. Should documents or information from PHOENIX CONTACT be necessary for the respective performance of the contract, which PHOENIX CONTACT has not handed over to the SUPPLIER, the SUPPLIER can only rely on contributory negligence on the part of PHOENIX CONTACT in the delay in delivery and / or service if he has reminded PHOENIX CONTACT in writing of the documents and information and has not received them within a reasonable period of time.

#### **5. Packaging / loading equipment**

- 5.1. The obligation of the SUPPLIER to take back the packaging shall be governed by the statutory provisions.
- 5.2. Loan pallets and bin boxes of PHOENIX CONTACT shall remain the property of PHOENIX CONTACT and have to be returned in perfect condition with the next delivery. The return of equivalent or similar pallets in accordance with the following regulations is permitted. If the return does not take place within one month after receipt of the loan pallets and bin boxes, PHOENIX CONTACT shall be entitled to charge the SUPPLIER for the cost price of the pallets or bin boxes lent to the SUPPLIER. Exchange pallets shall be exchanged step by step in accordance with the applicable UIC standard. Costs incurred to PHOENIX CONTACT due to the fact that a step-by-step pallet exchange is not possible (eg by engaging pallet service providers) shall be borne by the SUPPLIER.
- 5.3. The SUPPLIER is obliged to pack the CONTRACTUAL PRODUCTS in such a way that transport damages are avoided. Packaging material shall only be used to the extent necessary to achieve this purpose. The SUPPLIER may only use environmentally friendly packaging materials.

#### **6. Prices / payment terms / payment default / defense of uncertainty / retention right and set-off**

- 6.1. The prices negotiated by the SUPPLIER and PHOENIX CONTACT shall be valid.
- 6.2. Transport packaging, freight, postage and - if a transport insurance was agreed – insurance costs as well as other fees and public charges for the delivery are included in the price.
- 6.3. Payments shall be effected within 14 days less 3 % discount or within 30 days net. The payment period shall begin after the due date and receipt of an invoice.
- 6.4. In accordance with the statutory provisions, PHOENIX CONTACT may offset counterclaims and assert retention rights.
- 6.5. PHOENIX CONTACT shall be in default with its payment obligation under the INDIVIDUAL CONTRACT only after prior written reminder of the SUPPLIER.

- 6.6. In case of advance payments, the SUPPLIER is obliged to provide adequate security, eg unlimited, directly enforceable bank guarantee, in the amount of the advance payment.

#### **7. Rights of Use to the Software**

- 7.1. If a CONTRACTUAL PRODUCT contains software, PHOENIX CONTACT shall be entitled to the permanent, simple right to use the software in unaltered form to the extent of the type of use agreed between the contractual partners and – unless otherwise agreed in the INDIVIDUAL CONTRACT – to resell it against payment or free of charge.
- 7.2. For data backup, PHOENIX CONTACT may make one copy of any software. In doing so, PHOENIX CONTACT shall duplicate alphanumeric identifiers, trademarks and copyright notices without alterations and keep records of the whereabouts of the copies. The documentation will not be duplicated.
- 7.3. Unless it is software that is firmly integrated into a physical CONTRACTUAL PRODUCT (eg as firmware or embedded software), PHOENIX CONTACT may
  - 7.3.1. use the software on any hardware intended for this purpose or stand-alone device that is at its disposal. If PHOENIX CONTACT changes the hardware, PHOENIX CONTACT will delete the software from the previously used hardware.
  - 7.3.2. reproduce the software insofar as the respective reproduction is required for the use of the software. Required reproductions also include the installation of the software from the original data carrier to the mass storage of the hardware in use as well as the loading into the RAM.
- 7.4. The reverse translation of the program code into other code forms as well as other ways of reversing the various production stages of the software, including any modification of the program for own use by PHOENIX CONTACT, is permitted, in particular for the purpose of troubleshooting. If the action is performed for commercial reasons, it shall only be permitted if it is indispensable for the creation, maintenance or functioning of a computer program created independently, and the required information has not been published and / or is otherwise accessible.
- 7.5. The right to use the software passes to PHOENIX CONTACT upon transfer.

#### **8. Open Source Software**

- SUPPLIER shall be entitled to use OPEN SOURCE SOFTWARE within the framework of the INDIVIDUAL CONTRACT if it has informed PHOENIX CONTACT about it in advance and in TEXT FORM by referring to the respective license terms, and if at least one of the following conditions is fulfilled:
- 8.1. OPEN SOURCE SOFTWARE shall not become part of the CONTRACTUAL PRODUCT, neither directly nor indirectly (eg by linking), nor shall OPEN SOURCE SOFTWARE be used in the CONTRACTUAL PRODUCT in such a way that the CONTRACTUAL PRODUCT is now subject to any license terms of OPEN SOURCE SOFTWARE;

8.2. PHOENIX CONTACT has agreed to the use of OPEN SOURCE SOFTWARE in WRITTEN FORM.

**9. Acquisition of ownership of PHOENIX CONTACT**

Ownership of the CONTRACTUAL PRODUCTS shall pass to PHOENIX CONTACT upon delivery /handover.

**10. Materials from PHOENIX CONTACT**

If PHOENIX CONTACT and the Supplier have agreed on the use of materials specified for the CONTRACTUAL PRODUCTS, this shall apply:

10.1. The SUPPLIER purchases the materials for the CONTRACTUAL PRODUCTS communicated by PHOENIX CONTACT in TEXT FORM from PHOENIX CONTACT or from suppliers specified by PHOENIX CONTACT.

10.2. The use of these materials does not release the SUPPLIER from its obligation to itself check the materials for technical feasibility and the subsequently manufactured CONTRACTUAL PRODUCTS for quality, safety and functionality. If in doing so the SUPPLIER detects any defects, it shall immediately inform PHOENIX CONTACT thereof in TEXT FORM.

10.3. Materials which the SUPPLIER obtains from PHOENIX CONTACT or at special conditions from third parties specified by PHOENIX CONTACT shall be exclusively used for the manufacture of the CONTRACTUAL PRODUCTS for PHOENIX CONTACT.

10.4. For materials sold by PHOENIX CONTACT to the SUPPLIER the following shall be applicable:

10.4.1 Pending the full payment of the respective delivered materials, these materials shall remain the property of PHOENIX CONTACT. Any processing, in particular the transformation, combination, mixing or blending with other goods, shall be permitted to the SUPPLIER for PHOENIX CONTACT only.

10.4.2 The retention of title extends to the full value of the products created by processing, mixing or combining materials of PHOENIX CONTACT, with PHOENIX CONTACT considered the manufacturer. If the property right of third parties remains in force when their goods are processed, mixed or combined, PHOENIX CONTACT shall acquire co-ownership in proportion to the invoice value of the processed, mixed or combined goods.

**11. Provisions**

If PHOENIX CONTACT and the SUPPLIER have agreed to provide materials required for the CONTRACTUAL PRODUCTS free of charge, this shall apply:

11.1. PHOENIX CONTACT shall provide the materials required for the CONTRACTUAL PRODUCTS in accordance with the INDIVIDUAL CONTRACT free of charge.

11.2. Provided materials may only be used for the manufacture of CONTRACTUAL PRODUCTS for PHOENIX CONTACT specified in the respective INDIVIDUAL CONTRACT.

11.3. The use of these materials does not release the SUPPLIER from its obligation to itself check the materials for technical feasibility and the subsequently manufactured CONTRACTUAL PRODUCTS for quality,

safety and functionality. If in doing so the SUPPLIER detects any defects, it shall immediately inform PHOENIX CONTACT in TEXT FORM.

11.4. The SUPPLIER undertakes to set up a separate, suitable storage area marked as property of PHOENIX CONTACT within its warehouse for materials that are the property of PHOENIX CONTACT and inform PHOENIX CONTACT about the stock of materials and bin boxes upon initial request.

11.5. Any processing, in particular the transformation, combination, mixing or blending with other goods shall be permitted to the SUPPLIER for PHOENIX CONTACT only. The retention of title extends to the full value of the products created by processing, mixing or combining goods of PHOENIX CONTACT, with PHOENIX CONTACT considered the manufacturer. If the property right of third parties remains in force when their goods are processed, mixed or combined, PHOENIX CONTACT shall acquire co-ownership in proportion to the invoice value of the processed, mixed or combined goods. As for the rest, the same regarding materials shall apply to the resulting product.

11.6. The SUPPLIER shall immediately inspect the materials referred to in Section I.11.1 upon receipt pursuant to the provisions of Section 563 Polish Civil Code and notify defects at least in TEXT FORM. The inspection and notification obligation shall apply irrespective of whether the SUPPLIER receives the materials directly from PHOENIX CONTACT or from a third party at the instigation of PHOENIX CONTACT.

**12. Non-disclosure**

12.1. The SUPPLIER is obliged to keep CONFIDENTIAL INFORMATION secret and not to disclose or make such accessible to third parties. This obligation exists for a period of five (5) years after the relevant INDIVIDUAL CONTRACT ends.

12.2. If CONFIDENTIAL INFORMATION has to be disclosed due to statutory obligations or upon the order of a court or a public authority, the SUPPLIER obliged to disclose such will to the extent permissible and possible inform PHOENIX CONTACT in advance and give it the opportunity to take action against the disclosure.

**13. Warranty (Gewährleistung) / entry inspection / notification of defects**

13.1. The limitation period for warranty claims of PHOENIX CONTACT shall be 36 months after transfer of risk or, in the case of work services, from complete and unconditional acceptance by PHOENIX CONTACT unless a longer period is stipulated by law (construction damage).

13.2. An entry inspection of the CONTRACTUAL PRODUCTS by PHOENIX CONTACT shall be restricted to an inspection whether the delivered CONTRACTUAL PRODUCTS by piece numbers correspond to the respective ordered quantities and have apparent, externally visible transportation damages and whether the delivered CONTRACTUAL PRODUCTS correspond to the ordered CONTRACTUAL PRODUCTS (identity). A time limit for claims of five (5) WORKING DAYS shall apply to the aforementioned defects. For all other visible

as well as latent defects a time limit for claims of two (2) weeks from discovery shall be applicable.

- 13.3. If a new CONTRACTUAL PRODUCT is delivered within the scope of supplementary performance or if the CONTRACTUAL PRODUCT is repaired by the SUPPLIER, the warranty period pursuant to Section I.13.1 for the replaced or repaired CONTRACTUAL PRODUCT shall commence again from the date of transfer of risk of the new delivery.
- 13.4. After one unsuccessful supplementary performance or in case of final refusal of supplementary performance by the SUPPLIER, PHOENIX CONTACT shall be entitled to withdraw from the INDIVIDUAL CONTRACT, to reduce the purchase price and / or demand compensation for damages in accordance with the statutory provisions. If provided for by law, PHOENIX CONTACT shall also be entitled to remedy the defect itself.
- 13.5. For defects in title, Section I.14 applies additionally.

#### **14. RIGHTS OF THIRD PARTIES**

- 14.1. The contractual partners shall inform each other without delay if third parties assert that the use and / or distribution of the CONTRACTUAL PRODUCTS violate the RIGHTS OF THIRD PARTIES.
- 14.2. The SUPPLIER shall, to the best of its ability and at its own expense, defend itself against any claims by third parties asserted against it and shall not acknowledge them without the consent of PHOENIX CONTACT in WRITTEN FORM; this shall not apply if the claims of third parties are obviously justified. In the event that the claims of the third party are obviously justified, the SUPPLIER shall inform PHOENIX CONTACT immediately in WRITTEN FORM prior to any acknowledgement.
- 14.3. If third parties assert claims against PHOENIX CONTACT alleging that the use and / or distribution of the CONTRACTUAL PRODUCTS by PHOENIX CONTACT violate RIGHTS OF THIRD PARTIES, PHOENIX CONTACT may
  - 14.3.1. demand that the SUPPLIER averts such claims at its own expense and indemnifies PHOENIX CONTACT against such claims if the SUPPLIER is responsible for the infringement, the claims are recognized by declaratory judgment or acknowledged by PHOENIX CONTACT with the consent of the SUPPLIER in a settlement or otherwise; or
  - 14.3.2. itself assume the defense against such claims at its own expense and demand from the SUPPLIER, at its expense, to provide the necessary support in this defense.Other legal and contractual claims of PHOENIX CONTACT in connection with a violation of RIGHTS OF THIRD PARTIES by the CONTRACTUAL PRODUCTS shall remain unaffected.
- 14.4. If PHOENIX CONTACT demands from the SUPPLIER to act in accordance with Section I.14.3.1, PHOENIX CONTACT shall leave the sole control of the defense against the claims of third parties to the SUPPLIER in the internal relationship and use its reasonable best efforts to support the SUPPLIER in the defense against these claims by third parties at the expense of the SUPPLIER.

- 14.5. If third parties assert claims against PHOENIX CONTACT and / or the SUPPLIER within the meaning of Section I.14, PHOENIX CONTACT may, without prejudice to its other contractual or statutory rights, demand from the SUPPLIER, at its discretion,

14.5.1. to modify the respective CONTRACTUAL PRODUCTS in such a way that they are excluded from the scope of protection of the asserted property right, but nevertheless comply with the contractual provisions; or

14.5.2. to obtain the permission to use the respective CONTRACTUAL PRODUCTS in accordance with the agreement without being affected by third party claims for violation of their rights and without additional costs for PHOENIX CONTACT.

If the SUPPLIER is unable to do so within a reasonable period of time or refuses to do so (for instance, because he considers the claims of third parties to be unfounded), PHOENIX CONTACT may at its discretion withdraw from the INDIVIDUAL CONTRACTS for the respective CONTRACTUAL PRODUCTS. This shall not apply if the third party claims are manifestly unfounded.

#### **15. Liability / insurance**

- 15.1. If PHOENIX CONTACT is held liable by a third party on the basis of product liability and / or tort, and if this is attributable to the CONTRACTUAL PRODUCT and if the SUPPLIER is at fault, the SUPPLIER shall completely indemnify PHOENIX CONTACT against the corresponding claims upon initial request.
- 15.2. Within the debt obligation, the SUPPLIER shall have vicarious liability towards PHOENIX CONTACT especially with regard to bought-in parts of third parties as if it were its own fault.
- 15.3. For protection against any liability risks, the SUPPLIER undertakes to take out liability insurance customary for its business operations in an appropriate amount and to maintain it at least for the period of a possible liability according to the respective INDIVIDUAL CONTRACT. The SUPPLIER has to deliver the certificate of insurance to PHOENIX CONTACT upon initial request.

#### **16. Force majeure**

Force majeure shall exempt the CONTRACTUAL PARTNER affected by force majeure from its obligation to perform for the duration of the disruption and to the extent of its effect. The affected CONTRACTUAL PARTNER is obliged to immediately provide the required information as may be reasonably expected and adjust its obligations to the changed conditions in good faith. PHOENIX CONTACT shall be fully or partially exempt from the obligation to accept the CONTRACTUAL PRODUCTS or the SERVICE and insofar be entitled to withdraw from the INDIVIDUAL CONTRACT if the delivery / service can no longer be used or is no longer reasonable for PHOENIX CONTACT due to the delay at PHOENIX CONTACT caused by force majeure – by considering the economic aspects.

#### **17. Quality and Environment / Regulations on obligations under the Electrical and Electronic Equipment Act ("ElektroG")**

- 17.1. The SUPPLIER shall establish and maintain a qualified and certified quality management system according to ISO 9001, an environmental management system according to ISO 14001 and an occupation health and safety management system according to ISO 45001.
- 17.2. The SUPPLIER undertakes to maintain its management system or further develop it to such an extent that the quality of the delivered CONTRACTUAL PRODUCTS can be maintained or improved.
- 17.3. The SUPPLIER shall record the realization of its quality assurance measures, especially the measuring values and test results, and store these records in a clear way. The SUPPLIER shall grant PHOENIX CONTACT access to the extent as needed, and hand over copies of the records. The retention period of these records shall be ten (10) years after the last placing on the market of the respective CONTRACTUAL PRODUCT by the SUPPLIER at PHOENIX CONTACT.
- 17.4. At the request of PHOENIX CONTACT and upon prior consent of the SUPPLIER, which may not be unreasonably withheld, PHOENIX CONTACT shall be entitled to check the quality management system and the quality assurance activities of the SUPPLIER and to consult the documentation required therefor. Insights into confidential manufacturing processes and similar trade secrets may be denied.
- 17.5. In the event that the SUPPLIER already now provides or in the future will provide information about its CONTRACTUAL PRODUCTS delivered to PHOENIX CONTACT and their substance data, the SUPPLIER shall guarantee that the information mentioned there, especially as regards the chemical composition, corresponds to the CONTRACTUAL PRODUCT.
- 17.6. For electronic products the SUPPLIER has to meet the provisions of the standard IPC A-610 with at least class 2 and J-STD-001 valid at the time of delivery. If it should be necessary to rework and / or repair the CONTRACTUAL PRODUCTS, the rework and / or repair has to be carried out according to the provisions of the respectively valid IPC-7711/7721.
- 17.7. As far as the SUPPLIER lets the CONTRACTUAL PRODUCTS be produced by a third party, the SUPPLIER is obliged to ensure that this third party complies with the obligations stated in this paragraph.
- 17.8. If targets and / or PPM rates are agreed, the SUPPLIER shall not be released from his warranty obligations with regard to defective CONTRACTUAL PRODUCTS.
- 17.9. The SUPPLIER is obliged to hand over the safety data sheets applicable to the respective CONTRACTUAL PRODUCTS with the delivery unless PHOENIX CONTACT already has the current safety data sheet for the respective CONTRACTUAL PRODUCT. Regardless of the delivery of CONTRACTUAL PRODUCTS, the SUPPLIER has to ensure that PHOENIX CONTACT is provided with the currently applicable safety data sheet for the CONTRACTUAL PRODUCTS already delivered.
- 17.10. If the SUPPLIER is a manufacturer of electrical or electronic equipment pursuant to Section 4 no 11 ElektroG, it is obliged to register as manufacturer with the competent authority (stiftung ear) in accordance with ElektroG. If it has no branch office in the territory of the Federal Republic of Poland, it must

appoint an authorized representative within the meaning of Section 26 of ElektroG in WRITTEN FORM and in the German language for the duration of the entire supply relationship for the purpose of registering with the competent authority (stiftung ear) and fulfilling further manufacturer obligations, and appoint the authorized representative to the competent authority (stiftung ear) in accordance with Section 53, The Waste Act. If the SUPPLIER intends to change the authorized representative, this must be notified to PHOENIX CONTACT without delay and in WRITTEN FORM, at the latest, however, six (6) weeks in advance.

#### **18. Traceability**

The SUPPLIER undertakes - as far as geometrically and technically possible - to furnish the CONTRACTUAL PRODUCTS and the packaging with adequate traceability features for every single CONTRACTUAL PRODUCT (eg serial number) or for the production batches (eg batch number; date code). The SUPPLIER shall document and file these traceability features and provide corresponding information to PHOENIX CONTACT upon request. In this connection the SUPPLIER shall ensure that for instance test data, test protocols and test results of the CONTRACTUAL PRODUCTS are allocated certifiably to the respective traceability data and that the defect CONTRACTUAL PRODUCTS can be clearly identified.

#### **19. Data Protection**

The contractual partners undertake in each case to comply with all data protection laws and requirements in this respect which apply to the performance of their contractual duties.

#### **20. Corporate Responsibility**

- 20.1. The Contractual Partners affirm their social responsibility in the following sense as part of their global business activities. The Contractual Partners therefore undertake to comply with the content of the respectively valid Code of Conduct of the German Electrical and Electronic Manufacturers' Association (ZVEI) regarding social responsibility. As a guideline for the industry, this Code of Conduct defines the contents thereof with regard to working conditions to be observed, social and environmental compatibility as well as transparency, collaboration and dialog that is marked by trust. PHOENIX CONTACT shall provide the SUPPLIER with this Code of Conduct upon initial request.
- 20.2. The SUPPLIER further undertakes not to procure raw materials from regions or countries in which serious ethical and / or ecological concerns are lawfully raised or to use them in the CONTRACTUAL PRODUCTS.

#### **21. Provisions on Export Control Data and Foreign Trade Data**

Upon request, the SUPPLIER has to provide PHOENIX CONTACT at least in TEXT FORM with all information and data which PHOENIX CONTACT needs for observing the applicable foreign trade legislation for import and export as well as in the event of resale in case of re-export of the CONTRACTUAL PRODUCTS, in

particular for each INDIVIDUAL CONTRACTUAL product:

- 21.1. all applicable export list numbers, as far as an authorization requirement exists in accordance with the foreign trade legislation or the EC Dual Use Regulation; and / or
- 21.2. the Export Control Classification Number (ECCN) in accordance with the U.S. Commerce Control List, as far as the CONTRACTUAL PRODUCT is subject to the U.S. Export Administration Regulations; and / or
- 21.3. the statistical commodity code in accordance with the current commodity classification for the foreign trade statistics; and / or
- 21.4. the country of origin (non-preferential origin); (if applicable proof of origin); and / or
- 21.5. suppliers' declaration on preferential origin (with European goods).

## **22. Applicable Law / Place of Jurisdiction**

- 22.1. The INDIVIDUAL CONTRACT shall exclusively be governed by Polish law. Polish law shall also apply to current and future debt obligations covered by Regulation (EC) no. 864/2007 (Rome II) on the law applicable to non-contractual debt obligations. The provisions of the Vienna UN Convention of 11 April 1980 on Contracts for the International Sale of Goods (CISG) shall be excluded.
- 22.2. Exclusive place of jurisdiction for all disputes concerning the INDIVIDUAL CONTRACT shall be Nowy Tomyśl, Poland.

## **23. WRITTEN FORM / assignment / acknowledgment**

- 23.1. No ancillary agreements have been made. Any amendments and supplements to the General Terms and Conditions of Purchase require the WRITTEN FORM and the mutual consent of the contractual partners. The same shall apply to a waiver of this written form requirement or to its cancellation.
- 23.2. Unilateral declarations and notifications in accordance with these General Terms and Conditions of Purchase in principle require TEXT FORM, unless this is regulated otherwise in these General Terms and Conditions of Purchase.
- 23.3. The SUPPLIER may only assign rights and obligations under or in connection with these General Terms and Conditions of Purchase following the prior written consent of PHOENIX CONTACT.
- 23.4. Any acknowledgment of breaches of duty by PHOENIX CONTACT always requires WRITTEN FORM.

## **II. Special provisions for buildings, works and services**

### **1. General**

#### **1.1. Basic principles**

- 1.1.1. The CONTRACTOR is obliged to render the SERVICES itself or, after prior consent of PHOENIX CONTACT in WRITTEN FORM, have them rendered by third parties with free time management at its own expense and risk. PHOENIX CONTACT shall only withhold its consent if the legitimate interests of PHOENIX CONTACT are impaired.

- 1.1.2. Changes to the DESCRIPTION OF SERVICES are only possible by mutual agreement in WRITTEN or in TEXT FORM. Section I.3 shall apply accordingly.

#### **1.2. Remuneration**

Deviating to Section I.6.1 to Section I.6.3 the following shall be applicable:

- 1.2.1. The remuneration to be paid by PHOENIX CONTACT shall be agreed in the respective INDIVIDUAL CONTRACT.
- 1.2.2. Payments shall be effected within 30 days net. The payment period shall begin after the due date and receipt of an invoice. In the case of building works, agreed discounts and rebates shall also apply to supplementary or additional orders. A discount deduction shall not be forfeited to PHOENIX CONTACT if only individual (but not more than a total of three) installment payments have not been made within the discount period.
- 1.2.3. The CONTRACTOR shall fulfill all tax obligations himself. The same shall apply to the payment of social insurance contributions, in particular health insurance contributions and contributions to a voluntary pension scheme.
- 1.2.4. Only service rendered shall be paid. Entitlement to holiday and continued payment of the counter performance in the case of inability to work – even in the case of illness – shall be excluded.
- 1.2.5. The agreed remuneration shall cover all expenses of the CONTRACTOR. Any labor costs incurred, expenses, travel expenses, accommodation costs, etc. shall be borne by the CONTRACTOR himself.

#### **1.3. Rights of use to the WORK RESULTS**

Deviating to Section I.9 the following shall be applicable:

- 1.3.1. The WORK RESULTS of the CONTRACTOR in their embodied form and the relevant documents shall become property of PHOENIX CONTACT upon their creation, in fact already during the development or planning in the respective processing status. As far as the SERVICES of the CONTRACTOR are embodied in drawings, models, reports, data carriers, samples and other objects, these shall pass into the sole and unlimited ownership of PHOENIX CONTACT upon their creation, in fact in the respective processing status. The transfer shall be replaced by the fact that the CONTRACTOR immediately identifies the aforementioned objects as PHOENIX CONTACT property and stores them for PHOENIX CONTACT free of charge.
- 1.3.2. As far as the WORK RESULTS are protected by trademark and copyright or any other non-transferable property rights, for instance advertising slogans from the CONTRACTOR, the CONTRACTOR shall irrevocably grant PHOENIX CONTACT upon creation of the WORK RESULT the exclusive, transferable right unlimited in time, subject matter and location to use and exploit the WORK RESULT – itself or through third parties - in unchanged or changed form as regards all known types of use and those derivable therefrom. This shall in particular include the right to carry out modifications, editing or other transformations; to duplicate, disseminate, make publicly available, broadcast and communicate in private or in public, the WORK RESULTS in the original or in a modified, edited or



transformed form on any medium or other technical system, digitally or otherwise. If the WORK RESULT or the SERVICE includes software programs, the CONTRACTOR shall transfer all of the aforementioned rights of use both with regard to the object code as well as with regard to the source code of the software to PHOENIX CONTACT. However, PHOENIX CONTACT shall be under no obligation to exercise the rights of use granted herein.

- 1.3.3. As far as the WORK RESULT or the SERVICES contain protectable designations, slogans, brands or even inventions, PHOENIX CONTACT at its discretion shall be entitled to apply for protection of property rights in any countries in accordance with the applicable legal provisions, maintain them or drop them at any time under its name by referencing the inventor of the CONTRACTOR. The property rights generated due to such applications shall exclusively belong to PHOENIX CONTACT. The CONTRACTOR shall immediately inform PHOENIX CONTACT about a protectable brand or advertising slogan or any other protectable WORK RESULTS generated in connection with the realization of the SERVICES.
- 1.3.4. The CONTRACTOR may only use and exploit the SERVICE or the WORK RESULT to the extent permitted by PHOENIX CONTACT.
- 1.3.5. The CONTRACTOR shall keep all documents in relation with the execution of the INDIVIDUAL CONTRACT as well as the WORK RESULTS and parts thereof for PHOENIX CONTACT until the handover to PHOENIX CONTACT, and immediately procure replacement at his own expense in case of destruction or damage.
- 1.3.6. With the payment of the remuneration, all transfers and rights to the WORK RESULTS are compensated in full. The CONTRACTOR shall not receive a further remuneration in addition to the remuneration regulated in the INDIVIDUAL CONTRACT.
- 1.3.7. In the event the CONTRACTOR uses a third party to render the SERVICES, he shall reach an agreement with the third party that ensures the acquisition of ownership and rights of PHOENIX CONTACT to the same extent as regulated in this paragraph. The agreement with the third party has to be made in writing. The agreement, which protects at least the acquisition of ownership and rights, as stated above, shall be handed over to PHOENIX CONTACT on request. The same shall apply if the CONTRACTOR uses works for its SERVICES and / or WORK RESULTS that are protected by trademark rights and copyrights or other industrial property rights of a third

party (in particular photographic works, photographs, 3D data models, drawings, concepts).

#### **1.4. Termination**

- 1.4.1. A termination of the respective INDIVIDUAL CONTRACT and the remuneration of the SERVICES rendered until the termination of the INDIVIDUAL CONTRACT shall be governed by the relevant statutory provisions.
- 1.4.2. In addition to the legal reasons for extraordinary termination, an important reason that entitles PHOENIX CONTACT to extraordinary termination is, in particular, if (a) insolvency proceedings over the assets of a contractual partner are rejected for lack of assets; or (b) the legal and investment relations of the other contractual partner sustainably change in such a way that may give rise to significant economic or legal disadvantages for the contractual partner terminating the contract (eg majority shareholding of a competitor).
- 1.4.3. Notices of termination are only valid if made in WRITTEN FORM.

#### **2. Work services**

For work services, Section I.13.2 shall be replaced by the following provision:

- 2.1. The acceptance of the SERVICES by PHOENIX CONTACT shall be effected exclusively in WRITTEN or TEXT FORM.
- 2.2. Each contractual partner shall bear its own costs in connection with the acceptance unless the acceptance is unsuccessful. In this case, the CONTRACTOR shall bear all costs incurred and still to be incurred in connection with the acceptance.

#### **3. Construction works**

In addition to the conditions of Section II.2, the Polish Construction Law apply to construction works with the proviso that

- 3.1. The warranty period is five (5) years after acceptance by PHOENIX CONTACT.

#### **4. Services**

Sections I.13, I.17 and I.18 do not apply to services. In the case of services, the right to withdraw in accordance with Section I.14.5.2 shall be replaced by the right to termination without notice for good cause pursuant to Section 746, Polish Civil Code.

**Last modified: May 2019**